

Kentucky Agricultural Development Board

Meeting Minutes

May 18, 2001

The Kentucky Agricultural Development Board met on Friday, May 18, 2001 at 10:00 a.m., in Norse Commons on the Highland Heights Campus of Northern Kentucky University. Governor Patton, Chairman, called the meeting to order, and the secretary called the roll.

Members Present:

Governor Paul E. Patton, Chairman; Commissioner Billy Ray Smith, Vice Chairman; John-Mark Hack, Executive Director; Daniel Case; Larry Clay; Seth Conner; Susan Harkins; Wayne Hunt; Sam Lawson; Sam Moore; Willa Poynter; Eddie Sellers; Dean Scott Smith; and Smith Mitchell representing Secretary Gene Strong.

Members Absent:

Mike Slaughter

Others Present:

Sharon Burton, The Farmer's Pride; Brad Wellons, Legislative Research Commission; Frank Hicks, Clark County Cooperative Extension; Sheri Arms, Community Farm Alliance; Representative Jim Callahan, Kentucky General Assembly; Representative Mike Denham, Kentucky General Assembly; John Stevenson, Kentucky Cattlemen's Association; Vicky and Krasimir Georgiev; Beverly Lawson; Gordon Duke, Sandra Gardner, Ben Gramig, DeVon Hankins, Jeff Harper, Hampton 'Hoppy' Henton, Robert Hignite; Rhodes Johnston, Bill McCloskey, Jeff Mosley; Joel Neaveill, Lisa Thomas, and Tim Woods, Governor's Office of Agricultural Policy.

Notification of Media:

Governor Patton received confirmation from John-Mark Hack that a media release regarding the Agricultural Development Board (ADB) meeting was sent.

Welcoming Remarks:

Governor Patton welcomed Representative Jim Callahan, Representative Mike Denham, Board members and guests to the meeting and thanked President James Votruba for hosting the ADB meeting.

President Votruba welcomed the ADB to Northern Kentucky University and extended an open invitation for the Board to return.

Minutes of April 20, 2001 Meeting:

Susan Harkins asked that the minutes of the April 20, 2001 meeting be amended as follows: Director's Report; Paragraph 5; first sentence states that "the ethics code adopted by the Board at the March meeting..." be changed to read "The Director advised that the ethics code document was submitted to the Executive Branch Ethics Commission, but no response has been received."

The board has received the ethics code document but it has not been adopted.

The minutes were approved as amended.

Presentation of Grant:

Governor Patton and Commissioner Billy Ray Smith presented a check in the amount of \$101,000 to Steve Berryman, Clark County Livestock and Forage Council and Frank Hicks, Clark County Agriculture Extension Agent. The grant represents an investment of the Agricultural Development Fund to improve the genetic foundation of Kentucky's cattle herd.

Executive Director's Report:

Executive Director John-Mark Hack reviewed the day's agenda.

Director Hack briefed the Board on actions that have been taken to improve communication between the ADB staff and County Council members. ADB staff has been assigned specific extension areas with which they will deal directly. This will give county council members a single contact person and also enable ADB staff to become familiar with their specific areas and its needs. Dean Smith established an Extension Area Advisory Committee consisting of one extension agent from each extension area and two area program directors. This group and Mr. Hack will convene twice monthly, and has already met twice by conference call. Finally, ADB members and staff will be holding regional informational meetings in various areas of the state. All county council members and extension agents will be sent letters of invitation. These meetings are designed specifically to allow council members to ask questions and obtain information directly from ADB members and staff. The first of those regional meetings was held the evening preceding the ADB meeting at Northern Kentucky University. Approximately 60 individuals representing several counties attended.

Jeff Mosley met with the Executive Branch Ethics Commission to discuss the Commission's opinion on the ADB Ethics Code document. The Commission ruled that the ADB was not subject to KRS 11A; however, Mr. Mosley cautioned that this is an Opinion from the Ethics Commission only and the Board members may be subject to other laws. Based on his conversation with the Ethics Commission, Mr. Mosley drafted a new ADB Ethics Code document and

submitted it to members for review. The document will be discussed at the June meeting.

Mr. Hack updated the board on the long-term development plan. He advised that on July 10 -11, 2001, Governor Patton will convene a meeting of approximately 40 - 50 individuals to begin the process of putting together the big pieces of an agricultural development plan. This session will be facilitated by Dr. Ray Goldberg of the Harvard Business School.

Prior to the July meeting, regional meetings in several locations throughout the state will be convened. The dates, times and locations of these regional meetings are listed below. Area Development Districts are assisting with meeting logistics and with identifying key participants. The purpose of these first sessions is to provide local opportunities to contribute to the development of the long-term comprehensive plan for agricultural economic development in Kentucky. The first sessions will be structured around four key questions:

- 1) What is the number one problem faced by your community as it pertains to agricultural economic development? For example, is it prices? Is it alternative crops or a lack thereof? Is it related to environmental issues? Is it related to something else? The purpose of this question is to determine local priorities from various regions.
- 2) Given the answers to #1, what are local recommendations for a solution to the issue(s) identified in the first question?
- 3) Who's responsible or should be responsible for implementing the response in question 2 to the problem? Is it government? Is it some local authority? Farmers? Associations?
- 4) What are your (local) expectations of the Agricultural Development Fund and related efforts?

Director Hack stressed that this initial round of meetings represents the first of what will be a series of opportunities for people to contribute to the development of a long-term plan for agricultural and rural development in Kentucky. The first eight sessions are scheduled as follows:

Lincoln Trail Area: June 5, 2001

6:30 - 9:30PM EDT

Pritchard Community Center

Elizabethtown

Louisville Area: June 7, 2001

6:30 - 9:30PM EDT

Stratton Community Center

Shelbyville

Lake Cumberland Area: June 11, 2001

6:30 - 9:30PM EDT

South Kentucky Rural Electric Co-op

Somerset

Green River Area: June 12, 2001

6:30 - 9:30PM CDT

Location TBA

Owensboro

Bluegrass Area: June 13, 2001

6:30 - 9:30PM EDT

Bluegrass Area Development District, Perimeter Drive

Lexington

Barren River Area: June 18, 2001

7:00 - 10:00PM CDT

Regional Conference Center

Bowling Green

Cumberland Valley Area: June 19, 2001

6:30PM - 9:30PM EDT

Location TBA

Buffalo Trace AND Gateway Areas: June 21, 2001

6:30PM - 9:30PM

Fleming Mason Energy

Rt. 32 Flemingsburg, KY 41041

University of Kentucky Status Report:

Dean Scott Smith presented a document entitled: Current Status of New and Planned Responses by the Kentucky Cooperative Extension Service and Kentucky Agricultural Experiment Station in support of Kentucky Agricultural Development. Dean Smith outlined the content of the document as follows:

1. Extension Advancement Initiative: Enhance county level programming capacity and skills
2. High Opportunity Farming Enterprises: Increase statewide education, outreach, and applied research support for target areas.
3. New Partnerships Initiative: Promote collaborative programs across institutions and agencies to meet ever-broadening expectations.
4. Agriculture in the New Economy: Stimulate research and development and innovation for new agriculture and natural resource-based enterprises.

Referral of Project Proposals:

Sam Lawson moved with a second from Wayne Hunt to refer projects #205 – 334 to the Project Review Committee. The motion passed without objection.

Project Review Committee Report:

Sam Lawson presented the Committee report. The Project Review Committee met on May 11 and made the following recommendations:

Approved Forage Improvement and Utilization Programs:

Mr. Lawson stated that the Project Review Committee recommended Board approval for the following Forage Improvement and Utilization Programs. These programs are all funded from county funds:

<i>Application #</i>	<i>Project Name</i>	<i>County</i>	<i>Funded Amount (incl Adm Exp)</i>
15	Madison County Conservation District	Madison	\$203,000
44	Monroe County Conservation District	Monroe	\$150,000
118	Allen County Conservation District	Allen	\$10,600
200	Shelby County Cattlemen's Association	Shelby	\$165,000

Mr. Lawson moved with a second from Commissioner Smith that the Board adopt the Committee's recommendations. The motion passed without objection.

Approved Genetics Improvement Programs:

Mr. Lawson stated that the Project Review Committee recommended board approval for the following Genetics Improvement Programs. These programs are all funded from county funds:

<i>Application #</i>	<i>Project Name</i>	<i>County</i>	<i>Funded Amount (incl Adm Exp)</i>
193	Monroe County Cattlemen's Association	Monroe	\$76,200
200	Shelby County Cattlemen's Association	Shelby	\$25,000
237	Adair County Cattlemen's Association	Adair	\$50,000
251	Anderson County Cattlemen's Association	Anderson	\$73,250
264	Russell County Cattlemen's Association	Russell	\$51,350
294	Green River Feeder Calf Association (Beef)	Green	\$52,000
295	Green River Feeder Calf Association (Dairy)	Green	\$50,000

Mr. Lawson moved with a second from Commissioner Smith that the Board adopt the committee's recommendation. The motion passed without objection.

Projects Recommended for Funding:

Mr. Lawson advised that the Project Review Committee recommended that the following projects be approved for funding.

Project #5 Cumberland Valley Milling Cooperative (Southeast Kentucky Corn Growers Association) Consolidated County Applications for Statewide Project Application #'s are: Wayne (18), Clinton (89), Cumberland (149), Pulaski (152), Russell, Rockcastle: Approved for \$1,900,000 state funds; \$40,000 Wayne County funds; \$10,000 Clinton County funds; \$30,000 Pulsaki County funds; \$20,000 Russell County funds; \$20,000 Cumberland County funds; and \$10,000 Rockcastle. County funds.

Mr. Lawson moved with a second from with a second from Eddie Sellers that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Project #86* Mid South Pork, Inc.: Approved for \$92,500 state funds.

* Recommended for Funding after review by the Kentucky Center for Agricultural Development and Entrepreneurship. Mr. Lawson moved with a second from with a second from Wayne Hunt that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Project #154 Hart County High School Agriculture Department: Approved for \$39,500 Hart County funds. Mr. Lawson moved with a second from with a second from Larry Clay that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Project #156 West Kentucky Growers Co-Op: Approved for \$32,941.50 McClean County funds. (County Contribution to Previously Funded Project #4.) Mr. Lawson moved with a second from with a second from Sam Moore that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Project #182 Pennyriple Farmer's Market Association: Approved for \$15,020 Hopkins County funds. Mr. Lawson moved with a second from with a second from Commissioner Smith that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Project #202 Scott County Beef Improvement Association: Approved for \$2,100 Scott County funds. Mr. Lawson moved with a second from with a second from Commissioner Smith that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Project Referrals to Kentucky Center for Agricultural Development and Entrepreneurship (KCADE):

Mr. Lawson stated that the Project Review Committee recommended that the following projects be referred to KCADE for further development and/or research:

Project #158 Georgiev Farms – Vicki & Krasimir Georgiev

Project #166 Green River Worm Producers

Project #172 James Roberts

Project #184 John, Dorothy, Maria, Clay and Hannah Contini

Project #197 Louisville Area Farm Business Analysis Group, Inc.

Mr. Lawson moved with a second from with a second from Larry Clay that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Applications Recommended for No Funding:

Mr. Lawson stated that the Project Review Committee recommended no funding for the following projects:

Project #95 Mason County Conservation District
Project #96 Germantown Road Farms
Project #98 Faron Smith (Hancock)
Project #103 K C Farms
Project #104 Doug Dunaway (Harrison)
Project #105 Rural Center for Responsible Living (Cumberland)
Project #114 Bracken County Conservation District
Project #153 Brad Johnston
Project #157 Livermore Community Library
Project #160 James Young
Project #163 Tom Wimsatt
Project #164 Marlin Moody
Project #167 Green County Agricultural Development Council
Project #168 John K. Garner – Windy Bluff Farms
Project #169 Sidebottom Farm
Project #170 Vicki Arnett
Project #171 DeSimone Dairy
Project #173 Richard Edwards
Project #178 Logan/Todd Regional Water Commission
Project #179 Ben Jepson
Project #180 Garrard County Conservation District #1
Project #185 Garrard County 4-H Council
Project #187 A.D. Dodson
Project #189 Robert J. Eye
Project #190 Spencer County Fire Protection District
Project #196 The Homeplace on Green River Working Group
Project #198 James F. Jenkins
Project #199 Shelby County Agriculture Development Foundation
Project #204 Western Kentucky University

Mr. Lawson moved with a second from with a second from Willa Poynter that the Board adopt the Committee's recommendation. The motion passed by voice vote.

Agri-Tourism:

There was discussion regarding the growing Agri-Tourism industry in Kentucky and how those types of projects would 'fit in' based on current Board established guidelines for funding.

County Plan Review Committee Report:

Danny Case presented the County Plan Review Committee Report. He advised that the Committee met on May 11 and again on May 18 just prior to the ADB meeting. The Committee reviewed 19 revised County Comprehensive Plans.

Mr. Case advised that the County Plan Review Committee recommended approval of the following County Comprehensive Plans:

Allen *
Bath **
Breathitt *
Breckenridge *
Henderson
Grayson
Larue
Metcalf
Spencer *
Warren
Calloway
Harrison
Lawrence
Perry

*Approved contingent in including explicit language on applicant 50-50 cost share.

** Approved contingent on 50-50 cost share language and clarification on language addressing applications from individuals.

Mr. Case moved with a second from Eddie Sellers to adopt the Committee's recommendation. The motion passed without objection.

Kentucky Center for Cooperative Development:

Hampton 'Hoppy' Henton briefed the Board on the progress made on the Kentucky Center for Cooperative Development. Mr. Henton advised that he had reviewed the project application and had met with individuals from the University of Kentucky College of Agriculture and Kentucky Department of Agriculture. He stated that because of the complicated nature of this proposal, it would probably be best for the full ADB to discuss it at length. Mr. Henton will continue development of this project until the June meeting of the ADB at which time he will make a recommendation.

Project Review Committee:

Governor Patton noted significant increase in the number of applications received. He suggested that in order to disburse the responsibility of application

review, a second Project Review Committee should be created. Project applications would be distributed evenly between the two review committees.

Several members of the Board expressed concern about this idea. It was suggested that perhaps there should be one Project Review Committee consisting of all Board members.

Governor Patton stated that he would take it into consideration and the matter would be discussed at the June meeting.

With no further business the meeting adjourned at 12:20PM.